

CAIRNGORMS NATIONAL PARK AUTHORITY

FOR DISCUSSION

**Title: STRATEGIC RISK MANAGEMENT AND
MONITORING CORPORATE PERFORMANCE**

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Purpose

This paper presents an update on the Authority's performance to date in working towards delivery of strategic objectives established in the 2018 to 2022 Corporate Plan.

The paper focuses on delivery against the Key Performance Indicators adopted as measures of performance in delivery of our Corporate Plan, while highlighting by exception any significant constraints, risks or shortcomings on planned delivery.

The paper also presents the latest version of the Strategic Risk Register, following ongoing review and mitigation action by the Management Team and review by the Audit and Risk Committee.

Information is presented on delivery against the Corporate Plan only in this paper. Updates on delivery of the National Park Partnership Plan for 2017 to 2022 are presented separately at different points of the year.

Recommendations

The Board is asked to:

- a) **Review the update on corporate performance and strategic risk management set out in this paper.**
- b) **Highlight any achievements or exceptions which, from a strategic leadership perspective, Board members believe are of particular significance to the delivery of the Authority's strategic objectives.**
- c) **Review and comment on the risk register for completeness in coverage of current strategic risks and adequacy of mitigation actions.**

STRATEGIC RISK MANAGEMENT AND MONITORING CORPORATE PERFORMANCE – FOR DISCUSSION

Strategic Context

1. The Authority's Corporate Plan, <http://cairngorms.co.uk/wp-content/uploads/2018/07/CNPACorporatePlan2018-2022.pdf> describes how we will contribute to the delivery of the Cairngorms National Park Partnership Plan (NPPP).
2. The Corporate Plan also sets out how the CNPA will support the Government's central purpose: to focus the Government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increased wellbeing and sustainable and inclusive economic growth and delivery of the Programme for Government. To this end, the plan highlights (page 13) that the work of the Authority makes a contribution to 6 of the Scottish Government's 11 National Outcomes agreed within the National Performance Framework.
3. A corporate performance framework is required to measure the extent to which we succeed in delivering the priorities agreed in the corporate plan and make the desired contributions to wider national government strategies. The Board agreed the Authority's corporate performance framework as an integral part of the Corporate Plan. The information presented with this paper follows those agreed Key Performance Indicators (KPIs).
4. This Corporate Plan delivery update is presented after five months of impacts from the COVID19 pandemic. The updates feature a range of commentaries on the impacts which restrictions on activity imposed by responses to the pandemic have impacted on planned delivery. Management Team have been closely monitoring the capability to continue to deliver planned actions toward achievement of the Authority's agreed strategic objectives. The Annexes presented along with this paper, and in particular Annex 2 which sets out the Key Performance Indicators, presents an increasing number of heightened "amber" rated risks around delivery of strategic outcomes. However, at this point in time, none of the outcomes are highlighted as not being deliverable by the end of the Corporate Plan period, 31 March 2022.

Strategic Policy Considerations

5. The Authority's Corporate Plan makes reference to our contribution to National Outcomes. In most cases the corporate performance indicators do not present a direct measure of contribution to the specific outcomes. Rather, they are agreed to represent an appropriate "proxy" indicator, whereby our demonstration of

achievement in a specific area of the Authority's operations is accepted as a reasonable measure of our contribution to wider national or portfolio objectives.

Strategic Risk Management

6. The Board considered and approved the new strategic risk register supporting delivery of the 2018 to 2022 Corporate Plan at its meeting in June 2018. The Board also endorsed the Authority's Strategic Risk Management Strategy at the same meeting.
7. The strategic risk register is regularly reviewed and updated by both the Audit and Risk Committee and the Management Team with the Board considering the position on strategic risk management at the same time as it considers these Corporate Performance reports. The Strategic Risk Register is a dynamic document. Risks will be removed when their likelihood of occurrence and / or their potential impact is assessed to have declined sufficiently through management and implementation of mitigation or circumstances change in the Authority's wider operating environment. The current version of the strategic risk register is set out for consideration as an Annex to this paper.
8. Responding to feedback from internal audit, the risk register now analyses the proposed risk mitigation actions between "preventative" and "remedial" action: respectively establishing management activities designed to prevent the risk from taking happening and seeking to minimise the impact of a risk should it occur. This categorisation is intended to assist the Board and Management Team better assess the adequacy of actions proposed to manage risk.
9. The Board are invited at this point to review the current version of the Strategic Risk Register; identify any potential strategic risks not currently included; comment on the draft assessment of significance of risks identified and adequacy of proposed mitigation.

Implications

10. Both the Corporate Performance Monitoring Framework and Strategic Risk Register have been developed with a view to managing and limiting the staff time resource required to support the administration of these processes, while ensuring that the processes themselves are fit for purpose in managing risk to which the Authority is exposed and measuring our success in achieving agreed corporate priorities. We are aiming to make best use of data already collected by ourselves and our partners and hence tap into existing work rather than create new, often costly, data collection processes. Some indicators have data collected annually or over longer periods.

Therefore not all indicators will change over the period since these monitoring reports were last presented to the Board.

11. Our strategic risk management process and practices build on existing methods already reviewed and approved by Audit & Risk Committee and evaluated by internal and external audit. Our strategic planning and corporate performance monitoring reporting was also subject to internal audit review as part of the 2018/19 internal audit programme and received a “clear” internal audit report. The internal auditors, BDO, gave a “substantial” (highest) rating to both the design and operational effectiveness of these performance monitoring processes.
12. Our risk management processes require staff to reference the agreed strategic risks in developing specific strategies and policies and tailor their plans accordingly, to both ensure these policies and strategies are not impacted by the recognised risks and also help manage these risks.
13. In taking forward actions and projects to help deliver Corporate Plan priorities, Directors and their Heads of Service are expected to ensure that operational plans and / or project plans where required are covered by more specific risk registers and risk management practices.

Success Measures

14. Implementation of an effective Corporate Performance Monitoring System is an essential component of enabling identification of success in delivery of the Board’s agreed Corporate Plan.
 15. Effective risk management processes ensure that risks that may impact on success are identified, managed and / or monitored appropriately to support delivery of Corporate objectives. Risk management processes also assist in evaluating opportunities for action and in determining the Authority’s approaches to most effectively realising those opportunities.
 16. The work in bringing these processes together therefore forms a key aspect of the Authority’s strategic management processes.
 17. The progress shown in the Corporate Performance qualitative and quantitative updates are themselves presenting the success measures in the Authority’s deliver of its approved corporate objectives.
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Supporting Information:

Update on Corporate Plan Monitoring

1. A summary of the Authority's Corporate Plan monitoring information is presented in Annex 1. Corporate KPIs complementing the qualitative updates on performance are set out in Annex 2 presented with this paper. A commentary on the current status of these KPIs is also presented. More information on the highlights and issues arising over the course of Corporate Plan delivery to date is presented in the following sections of this paper.

Conservation and Land Management - Highlights

2. The Cairngorms Nature Partnership has been successful in drawing in over £100,000 in funding for habitat and species restoration projects.
3. The Capercaillie project has also successfully secured a further £2.9 million in funding to deliver findings from the development phase of the project.
4. Work toward establishing 1,000 hectares of new native woodlands per annum has also progressed well over the reporting period.
5. A number of indicators around key work areas continue to be assessed as "amber" in the risk rating either as a consequence of assessment data still to be sourced, or performance to date falling below target levels as a consequence of COVID19 and other implementation delays.

Conservation and Land Management – Exception Reporting

6. Wildlife crime continues to be highlighted as an exception in this round of performance reporting, as incidents continue to occur in the Park. The raptor trackers developed jointly with BTO and NatureScot will now be deployed in 2021 at the earliest.
7. Peatland restoration work, previously flagged as at escalated "amber" risk of delivery, is now also highlighted as at heightened red risk around delivery of agreed targets. The capacity of contractors to undertake work has continued to be a delivery issue, while COVID19 restrictions and budget restrictions has effectively resulted in the loss of the 2020 "weather window" to implement peatland works.

Visitor Experience - Highlights

8. Four of five KPIs in this area of the Authority's corporate plan activity remain assessed as on track and "green" in our risk based assessments of progress, as they were at December 2019 when the Board last received a progress report.

9. In addition to continuing work in securing the priority outcomes in this area of the Authority's Corporate Plan, the organisation has responded to the COVID19 emergency by designing, recruiting, training and implementing a Seasonal Ranger Service between April and June 2020, with Seasonal Rangers starting on the ground at the beginning of July 2020. Feedback has been very positive over the two months of delivery during a testing summer season.
10. While COVID19 restrictions have resulted in pauses in much of the delivery work, objectives remain broadly on track for delivery by the close of the Corporate Plan period. Work has also progressed over the last months with the Cairngorms Trust in supporting the procurement of electric bikes to support climate change and Active Cairngorms objectives.

Visitor Experience – Exception Reporting

11. The current interruption to service at Cairngorm Mountain remains a key issue for the Cairngorms visitor infrastructure and tourism economy. We continue to work as closely as possible with Highlands and Island Enterprise (HIE) and other stakeholders on this matter, and reviewing the wider impacts of this on the Cairngorm and Glenmore Strategy, while recognising that HIE are very much in the lead in planning for the future of Cairngorm Mountain.
12. Current STEAM data also continues to indicate that the tourism impact in the southern and eastern areas of the Cairngorms National Park is declining very slightly from prior year levels rather than increasing toward the target of 25% of the total visitor economy. The position remains an increase from the baseline figure, although trend is downward rather than the targeted increase.

Rural Development - Highlights

13. The Examiners Report on the Cairngorms Local Development Plan has now been received, marking a significant milestone on this significant piece of work for the Authority.
14. Following consultation on the Economic Action Plan July and September 2019, the Board approved the Plan at its meeting in December 2019.
15. In further work responding to the COVID19 emergency, the Board approved a Green Recovery Plan for the Cairngorms National Park at its meeting in June 2020. Following on from this, one key action in the Plan, to implement a Green Recovery Fund, has been designed and approved by the Board at a meeting in August 2020, with the Fund with a total value of £130,000 launched on 20 August.

16. The CNPA withdrew an objection to the A9 Dalraddy to Slochd section in March 2020, following a commitment from Transport Scotland to fund the development of an alternative non-motorised user route to link Aviemore and Carrbridge.
17. The Cairngorms LEADER Programme has now achieved full commitment of its programme funds allocation, and the Cairngorms Trust, leading the programme, has successfully bid for £67k additional funding allocation from resources recovered from other LEADER areas (2.3% increase on original programme allocation) to finance additional project activities. The Cairngorms LEADER programme includes funding of almost £1.5 million of economic development and farm diversification project value supporting projects targeting economic development actions within the Cairngorms. The LEADER programme has also delivered one of the Authority's corporate KPIs of numbers of people entering community development activities for the first time, with monitoring statistics showing 237 people getting involved in such voluntary community activities for the first time.

Rural Development – Exception Reporting

18. One KPI – the level of business satisfaction with the Authority – has moved to a increased amber risk rating over the period. The Authority's satisfaction score, while remaining above the average level found in the most recent survey figures, has declined below the baseline level adopted at the commencement of the Corporate Plan.

Communications

19. CNPA's [Annual Report 2019/20](#) was submitted to Ministers and published on our website in July 2020 and a [progress report](#) on the second iteration of the CNPA's Gaelic Language Plan was published on our website in August 2020.
20. In March (pre-lockdown) CNPA hosted the 'Net Zero with Nature' conference to address the climate crisis and what needs to happen in the Cairngorms National Park to tackle the issues.
21. At the start of the COVID19 pandemic response, the CNPA set up a Cairngorms Tourism Emergency Response Group. The group's purpose is to provide consistent and comprehensive analysis of the implications of COVID19 for tourism, to coordinate communications with the tourism industry, ensure close working between key agencies and the private sector, to gather, share, facilitate, interpret and disseminate information and agree relevant actions and delivery plans.

Communications – Exception Reporting

22. There are no exceptions to report on Communications at this point.

Corporate Services - Organisational Development

23. The great majority of Corporate KPIs are shown in Annex 2 to be achieving targets approved by the Board. Only 3 of 17 KPIs show aspects of activity not achieving or ahead of target.
24. The Corporate Services Group along with Communications colleagues have led on the full scale implementation and ongoing risk management and review of the Authority's business continuity arrangements to respond to the COVID19 pandemic.
25. There are currently no work related causes of absence under management, addressing an exception reported to the Board in June 2019 when there were two cases under management. The Management Team have been very focused over the last 5 months of response to COVID on the mental health and wellbeing of staff. We have also undertaken two staff surveys to ensure we have feedback from staff on their experiences of extended remote working and that we are aware of actions that we can take to improve their capacity to interact with colleagues and work effectively.
26. There has also been no RIDDOR reportable Health and Safety incidents in the period, which also brings another KPI highlighted as an exception in June back into line with targets.
27. The office extension project won an Architects Journal design award, to follow the nomination from the Royal Incorporation of Architects in Scotland.
28. Our draft accounts for 2019/20 present an on budget, break-even position, while our financial position for the current year also is on track to achieve the same result for 2020/21. The external audit of the accounts is still underway, while the aim is to present final accounts for approval at the September 2020 Audit and Risk Committee: a delay from the original plan of a June 2020 sign off as a consequence of COVID19 related delays.
29. Changes to operational practices and investment in buildings and our pool car fleet has also resulted in a significant reduction of 8.4 tonnes of CO₂ in the last full operational year from a previous level of 97.5 tonnes of CO₂ – an single year reduction of 8.6% in business related emissions compared with the annual target of 3%.

Organisational Development – Exception Report

30. We do have one instance in the period of a complaint sitting at frontline resolution for longer than allowed under our policies. This is something of a technical lapse as the complaint was resolved by letter within 13 days (compared to a maximum of 20). The omission in procedure being the lack of notification to the complainant that their

issue was being fully investigated and that the matter had therefore been escalated to a full complaint investigation.

31. We also have one instance of a recruitment activity which did not result in a successful recruitment.
32. Our equal pay analysis continues to show a downward trend in assessed gender pay gap in line with targeted direction of travel, while the assessed pay gap remains a matter for further action.

Corporate KPIs and Cross-cutting Indicators

33. Corporate KPIs complementing the qualitative updates on performance are set out in Annex 2 presented with this paper. A commentary on the current status of these KPIs is also presented.
34. The update on KPIs has been graded on this occasion in risk terms.

Strategic Risk Management

35. The Strategic Risk Register is presented at Annex 3 to this paper. This sets out the most recent appraisal of the Authority's strategic risk management by the Audit and Risk Committee in March 2020 and by Management Team in August 2020.
36. The Authority has also developed a separate Business Continuity Risk Management approach and a separate business continuity risk register associated with this approach to guide our actions as we continue to adapt and respond to COVID19 impacts. This approach has also been reviewed by the Audit and Risk Committee. The latest update on the risk management of our COVID19 responses is available with papers for the Audit and Risk Committee meeting of 11 September 2020.

David Cameron,
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